



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF ADMINISTRATION
FISCAL AND RESOURCES
P O Box 211
TRENTON, NEW JERSEY 08625-0211

James E. McGreevey
Governor

John E. McCormac CPA
State Treasurer

Request for Information

April 26, 2004

Dear Sir/Madam:

The State of New Jersey, Department of the Treasury is in the process of initiating a Performance Contracting program. In the interest of ensuring the thoroughness of this process, the State intends to make use of the services of energy companies to assist its efforts in this area.

Prior to finalizing and releasing a Request for Qualifications for these services, the State is conducting a Request for Information (RFI). The Request for Information is detailed on the following pages, and should be responded to separately. The RFI process requires one original response and 3 exact copies of that response. All should be submitted to:

Date: May 26, 2004
Time: 2:00 p.m.
Location: Attn: Rodney Richards
NJ Treasury Administration
PO Box 211
Trenton NJ 08625-0211
(Direct delivery: 50 W. State St. 4th fl, Trenton NJ 08608)

We look forward to receiving your response.

Sincerely,

Rodney Richards, Manager
Statewide Contract Consolidation and Energy

c: C. Doan

Request for Information

The State of New Jersey, Department of the Treasury is investigating Performance Contracting as a possible way for the state to implement energy efficiency and conservation measures for its large business offices, preferable through shared savings arrangements of some type. This Request for Information (RFI) is an attempt to uncover pertinent information about Performance Contracting, its steps, processes and content so as to assist the state if it decides to enter into such contracts. There is no obligation on your part to respond to this request. If responding, your response will be reviewed by knowledgeable state engineering, administrative and procurement personnel. If responding and the state decides to progress to further steps in Performance Contracting, your firm will be contacted regarding those steps.

This Request is in four parts: Part One, the Proposal Grade or Preliminary Utility Audit (PUA), Part Two, the Investment Grade Audit (IGA), Part Three, Performance Contracting, and Part Four, Additional Response Requirements. Right now the state is focused on two 350,000 sq. ft. office buildings in downtown Trenton with over 2,000 employees each, last upgraded (with T-8s for example) in 1992. Both are 13 stories tall. One uses hot water for heating from the nearby co-generation plant. This RFI is not bound by these examples however, they are just possible future endeavors of the state. They are merely meant as simple examples of more immediate needs. Your responses to the questions or data requested in these sections should be as clear and concise, yet comprehensive, as possible. NOTE: This is not a contract.

Part One: Proposal Grade or Preliminary Utility Audit (PUA).

1. Provide a short list of minimal building data that would be useful to you before performing the audit. Explain why the data would be useful. Explain the consequences of not having minimal required data supplied (by the state).
2. Explain what the audit will accomplish and what it will represent. How long will it take?
3. Explain what recommendations come out of the PUA. Explain how costs are projected. Explain how savings are projected. Describe typical payback times.
4. Describe your costs to perform the PUA. Note: The State does not expect to be invoiced for a solicited PUA, nor to recapture the preliminary audit price in a later contract, should one result.
5. Do you perform the PUA yourself or subcontract it out? If so, to whom?

Part Two: The Investment Grade Audit (IGA).

1. Describe the differences between the PUA and the IGA, in terms of research, scope, time to perform and findings. Describe any additional areas looked at in the IGA.
2. Describe your costs to perform an IGA, and how they are rolled into the actual Performance Contract.
3. Will the IGA review operations and maintenance strategies (O&MS)?
4. What are the basic engineering or cost assumptions made as part of the IGA? (i.e. degree day averages, Measurement & Verification (M&V) formulas, Simple Payback Periods etc.
5. Describe methods used in the IGA such as Life Cycle Costing, and net present values (NPV).
6. Do you perform the IGA yourself or subcontract it out?
7. Can you perform the IGA using another firm's PUA? What would you have to do differently?
8. What are some typical costs for an IGA? Give examples.

Part Three: Performance Contracting

1. How long have you been in the energy business performing Performance Contracting? How many projects have you successfully completed within the last three years?
2. Provide three summaries of actual performance contracts you have done within the last three years for mid-size buildings (250,000 to 500,000 sq ft). Provide contact information. Note: References must be for office buildings with a minimum 100,000 sq. ft.
3. Do you or can you guarantee energy savings costs?
4. Financing: 1.) do you have enough capital to fund the project yourself, or 2) do you require the owner to fund the project?
5. Do you employ teams of specialists/subcontractors within the contracting process? Which ones for example? (e.g. HVAC, controls, environmental specialists, installation vs. equipment)
6. Are you flexible in how rebates (e.g., SmartStart) can be used to lower costs of the project? How do you prefer them to be handled?
7. What financing options can you propose/handle? Self-funded or client funded only?

Part Four: Additional Response Requirements

1. Provide the following:
 - a. Name of company, contact person, title, address, phone, fax, cell #, and email address.
 - b. A copy of your division or company organizational chart, with contact information, showing the organization responsible for performance contracting projects.
 - c. A copy of your parent company's organization chart.
2. General information: (note: please provide the question with your answer to that question as enumerated herein)
 - a. Have you worked on building efficiency/conservation projects for NJ State Government. Name them and dates performed with a short summary.
 - b. Have you worked on projects for prisons or large institutions? Provide names and dates of engagement within the last three to five years. If so, what were the major differences between that and office building projects?
 - c. Have you worked on projects at state college campuses? Schools? Provide names and dates of engagement within the last three to five years. If so, what were the major differences between that and office building projects.
 - d. Provide a general statement about how your firm differentiates between energy efficiency measures and energy conservation measures, and how each is applied by your company.
 - e. Provide a detailed statement about how your company prefers to handle Performance Contracting, naming the steps and components of the project from beginning (PUA) to end (monitoring).
3. Responses must be received NO LATER THAN May 26, 2004.

Please email me upon receipt of this RFI for an acknowledgement email:

Rodney.richards@treas.state.nj.us